



Senate

General Assembly

File No. 184

January Session, 2007

Substitute Senate Bill No. 1266

Senate, March 29, 2007

The Committee on Commerce reported through SEN. LEBEAU of the 3rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT REPORTING REQUIREMENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 32-1m of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2007*):

3 (a) Not later than February 1, 2006, and annually thereafter, the
4 Commissioner of Economic and Community Development shall
5 submit a report to the Governor and the General Assembly, in
6 accordance with the provisions of section 11-4a. Not later than thirty
7 days after submission of the report to the Governor and the General
8 Assembly, said commissioner shall post the report on the Department
9 of Economic and Community Development's web site. Said report
10 shall include, but not be limited to, the following information with
11 regard to the activities of the Department of Economic and
12 Community Development during the preceding state fiscal year:

13 (1) A brief description and assessment of the state's economy during

14 such year, utilizing the most recent and reasonably available data, and
15 including:

16 (A) Connecticut employment by industry;

17 (B) Connecticut and national average unemployment;

18 (C) Connecticut gross state product, by industry;

19 (D) Connecticut productivity, by industry, compared to the national
20 average;

21 (E) Connecticut manufacturing activity;

22 (F) Identification of economic and competitive conditions affecting
23 Connecticut's industry sectors, problems resulting from these
24 conditions and state efforts to address the problems; and

25 (G) Any other economic information that the commissioner deems
26 appropriate.

27 (2) A statement of the department's economic and community
28 development objectives, measures of program success and standards
29 for granting financial and nonfinancial assistance under programs
30 administered by the department.

31 (3) An analysis of the economic development portfolio of the
32 department, including:

33 (A) A list of the names, addresses and locations of all recipients of
34 the department's assistance;

35 (B) The following information concerning each recipient of such
36 assistance: (i) Business activities, (ii) standard industrial classification
37 codes or North American industrial classification codes, (iii) number of
38 full-time jobs and part-time jobs at the time of application, (iv) number
39 of actual full-time jobs and actual part-time jobs [at application] during
40 the preceding state fiscal year, (v) whether the recipient is a minority
41 or woman-owned business, (vi) a summary of the terms and

42 conditions for the assistance, including the type and amount of state
43 financial assistance, job creation or retention requirements and
44 anticipated wage rates, (vii) the amount of investments from private
45 and other nonstate sources that have been leveraged by the assistance,
46 (viii) the extent to which employees of the recipient participate in
47 health benefit plans offered by such recipient, (ix) the extent to which
48 the recipient offers unique economic, social, cultural or aesthetic
49 attributes to the municipality in which the recipient is located or to the
50 state, and (x) the amount of state investment;

51 (C) A portfolio analysis, including (i) an analysis of the wages paid
52 by recipients of financial assistance, (ii) the average portfolio wage,
53 median portfolio wage, highest and lowest portfolio wage, (iii)
54 portfolio wage data by industry, and (iv) portfolio wage data by
55 municipality;

56 (D) An investment analysis, including (i) total portfolio value, (ii)
57 total investment by industry, (iii) portfolio dollar per job average, (iv)
58 portfolio leverage ratio, and (v) percentage of financial assistance
59 which was provided to high performance work organizations in the
60 preceding state fiscal year; and

61 (E) An analysis of the estimated economic effects of the
62 department's economic development investments on the state's
63 economy, including (i) contribution to gross state product for the total
64 economic development portfolio and for any investment activity
65 occurring in the preceding state fiscal year, (ii) direct and indirect
66 employment created by the investments for the total portfolio and for
67 any investment activity occurring in the preceding state fiscal year, (iii)
68 productivity of recipients of financial assistance as a result of the
69 department's investment occurring in the preceding state fiscal year,
70 (iv) directly or indirectly increased property values in the
71 municipalities in which the recipients of assistance are located, and (v)
72 personal income.

73 (4) An analysis of the community development portfolio of the
74 department, including:

75 (A) A list of the names, addresses and locations of all recipients of
76 the department's assistance;

77 (B) The following information concerning each recipient of such
78 assistance: (i) Amount of state investment, (ii) a summary of the terms
79 and conditions for the department's assistance, including the type and
80 amount of state financial assistance, and (iii) the amount of
81 investments from private and other nonstate sources that have been
82 leveraged by such assistance;

83 (C) An investment analysis, including (i) total active portfolio value,
84 (ii) total investments made in the preceding state fiscal year, (iii) total
85 portfolio by municipality, (iv) total investments made in the preceding
86 state fiscal year categorized by municipality, (v) total portfolio
87 leverage ratio, and (vi) leverage ratio of the total investments made in
88 the preceding state fiscal year; and

89 (D) An analysis of the estimated economic effects of the
90 department's economic development investments on the state's
91 economy, including (i) contribution to gross state product for the total
92 portfolio and for any investment activity occurring in the preceding
93 state fiscal year, (ii) direct and indirect employment created by the
94 investments for the total portfolio and for any investment activity
95 occurring in the preceding state fiscal year, (iii) productivity of
96 recipients of financial assistance as a result of the department's
97 investment occurring in the preceding state fiscal year, (iv) directly or
98 indirectly increased property values in the municipalities in which the
99 recipients are located, and (v) personal income.

100 (5) A summary of the department's economic and community
101 development marketing efforts in the preceding state fiscal year, a
102 summary of the department's business recruitment strategies and
103 activities in such year, and a summary of the department's efforts to
104 assist small businesses and minority business enterprises in such year.

105 (6) A summary of the department's international trade efforts in the
106 preceding state fiscal year, and, to the extent possible, a summary of

107 foreign direct investment that occurred in the state in such year.

108 (7) Identification of existing economic clusters, the formation of new
109 economic clusters, [and] the measures taken by the commissioner
110 during the preceding state fiscal year to encourage the growth of
111 economic clusters and the amount of bond funds expended by the
112 department during the previous fiscal year on each economic cluster.

113 (8) (A) A summary of the department's brownfield-related efforts
114 and activities within the Office of Brownfield Remediation and
115 Development established pursuant to subsections (a) to (f), inclusive,
116 of section 32-9cc in the preceding state fiscal year, except for activity
117 under the Special Contaminated Property Remediation and Insurance
118 Fund program. Such efforts shall include, but not be limited to, (i) total
119 portfolio investment in brownfield remediation projects, (ii) total
120 investment in brownfield remediation projects in the preceding state
121 fiscal year, (iii) total number of brownfield remediation projects, (iv)
122 total number of brownfield remediation projects in the preceding state
123 fiscal year, (v) total of reclaimed and remediated acreage, (vi) total of
124 reclaimed and remediated acreage in the preceding state fiscal year,
125 (vii) leverage ratio for the total portfolio investment in brownfield
126 remediation projects, and (viii) leverage ratio for the total portfolio
127 investment in brownfield remediation projects in the preceding state
128 fiscal year. Such summary shall include a list of such brownfield
129 remediation projects and, for each such project, the name of the
130 developer and the location by street address and municipality and a
131 tracking of all funds administered through or by said office; [and]

132 (B) A summary of the department's efforts with regard to the
133 Special Contaminated Property Remediation and Insurance Fund,
134 including, but not limited to, (i) the number of applications received in
135 the preceding state fiscal year, (ii) the number and amounts of loans
136 made in such year, (iii) the names of the applicants for such loans, (iv)
137 the average time period between submission of application and the
138 decision to grant or deny the loan, (v) a list of the applications
139 approved and the applications denied and the reasons for such

140 denials, and (vi) for each project, the location by street address and
141 municipality; and

142 (C) A summary of the department's efforts with regard to the dry
143 cleaning grant program, established pursuant to section 12-263m,
144 including, but not limited to, (i) information as to the number of
145 applications received, (ii) the number and amounts of grants made
146 since the inception of the program, (iii) the names of the applicants,
147 (iv) the time period between submission of application and the
148 decision to grant or deny the loan, (v) which applications were
149 approved and which applications were denied and the reasons for any
150 denials, and (vi) a recommendation as to whether the surcharge and
151 grant program established pursuant to section 12-263m should
152 continue.

153 (9) The following information concerning enterprise zones
154 designated under section 32-70:

155 (A) A statement of the current goals for enterprise zones;

156 (B) A statement of the current performance standards to measure
157 the progress of municipalities that have enterprise zones in attaining
158 the goals for such zones;

159 (C) A report from each municipality that has an enterprise zone,
160 which evaluates the progress of the municipality in meeting the
161 performance standards established under [subsection (a) of] section 32-
162 70a; and

163 (D) An assessment of the performance of each enterprise zone based
164 on information collected under subparagraph (C) of this subdivision.

165 (10) With regard to the department's housing-development-related
166 functions and activities:

167 (A) A brief description and assessment of the state's housing market
168 during the preceding state fiscal year, utilizing the most recent and
169 reasonably available data, and including, but not [be] limited to, (i) a

170 brief description of the significant characteristics of such market,
171 including supply, demand and condition and cost of housing, and (ii)
172 any other information that the commissioner deems appropriate;

173 (B) A comprehensive assessment of current and future needs for
174 rental assistance under section 8-119kk for housing projects for the
175 elderly and disabled, in consultation with the Connecticut Housing
176 Finance Authority;

177 [(B)] (C) An analysis of the progress of the public and private
178 [sector] sectors toward meeting housing needs in the state, using
179 building permit data from the United States Census Bureau and
180 demolition data from Connecticut municipalities;

181 [(C)] (D) A list of municipalities that meet the affordable housing
182 criteria set forth in subsection (k) of section 8-30g, pursuant to
183 regulations that the Commissioner of Economic and Community
184 Development shall adopt pursuant to the provisions of chapter 54. For
185 the purpose of determining the percentage required by subsection (k)
186 of said section 8-30g, the commissioner shall use as the denominator
187 the number of dwelling units in the municipality, as reported in the
188 most recent United States decennial census; and

189 [(D)] (E) A statement of the department's housing development
190 objectives, measures of program success and standards for granting
191 financial and nonfinancial assistance under programs administered by
192 said commissioner.

193 (11) A presentation of the state-funded housing development
194 portfolio of the department, including:

195 (A) A list of the names, addresses and locations of all recipients of
196 such assistance; and

197 (B) For each such recipient, (i) a summary of the terms and
198 conditions for the assistance, including the type and amount of state
199 financial assistance, (ii) the amount of investments from private and
200 other nonstate sources that have been leveraged by the assistance, (iii)

201 the number of new units to be created and the number of units to be
202 preserved at the time of the application, and (iv) the number of actual
203 new units created and number of units preserved.

204 (12) An analysis of the state-funded housing development portfolio
205 of the department, including:

206 (A) An investment analysis, including the (i) total active portfolio
207 value, (ii) total investment made in the preceding state fiscal year, (iii)
208 portfolio dollar per new unit created, (iv) estimated dollars per new
209 unit created for projects receiving an assistance award in the preceding
210 state fiscal year, (v) portfolio dollars per unit preserved, (vi) estimated
211 dollar per unit preserved for projects receiving an assistance award in
212 the preceding state fiscal year, (vii) portfolio leverage ratio, and (viii)
213 leverage ratio for housing development investments made in the
214 preceding state fiscal year; and

215 (B) A production and preservation analysis, including (i) the total
216 number of units created, itemized by municipality, for the total
217 portfolio and projects receiving an assistance award in the preceding
218 state fiscal year, (ii) the total number of elderly units created for the
219 total portfolio and for projects receiving an assistance award in the
220 preceding state fiscal year, (iii) the total number of family units created
221 for the total portfolio and for projects receiving an assistance award in
222 the preceding state fiscal year, (iv) the total number of units preserved,
223 itemized by municipality, for the total portfolio and projects receiving
224 an assistance award in the preceding state fiscal year, (v) the total
225 number of elderly units preserved for the total portfolio and for
226 projects receiving an assistance award in the preceding state fiscal
227 year, (vi) the total number of family units preserved for the total
228 portfolio and for projects receiving an assistance award in the
229 preceding state fiscal year, (vii) an analysis by income group [.] of
230 households served by the department's housing construction,
231 substantial rehabilitation, purchase and rental assistance programs, for
232 each housing development, if applicable, and for each program,
233 including number of households served under each program by race

234 and data for all households, and (viii) a summary of the department's
235 efforts in promoting fair housing choice and racial and economic
236 integration, including data on the racial composition of the occupants
237 and persons on the waiting list of each housing project that is assisted
238 under any housing program established by the general statutes or a
239 special act or that is supervised by the department, provided no
240 information shall be required to be disclosed by any occupant or
241 person on a waiting list for the preparation of such summary. As used
242 in this subparagraph, "elderly units" means dwelling units for which
243 occupancy is restricted by age, and "family units" means dwelling
244 units for which occupancy is not restricted by age.

245 (13) An economic impact analysis of the department's housing
246 development efforts and activities, including, but not limited to:

247 (A) The contribution of such efforts and activities to the gross state
248 product;

249 (B) The direct and indirect employment created by the investments
250 for the total housing development portfolio and for any investment
251 activity for such portfolio occurring in the preceding state fiscal year;
252 and

253 (C) Personal income in the state.

254 (14) With regard to the Housing Trust Fund and Housing Trust
255 Fund program, as those terms are defined in section 8-336m:

256 (A) Activities for the prior fiscal year of the Housing Trust Fund and
257 the Housing Trust Fund program; and

258 (B) The efforts of the department to obtain private support for the
259 Housing Trust Fund and the Housing Trust Fund program.

260 [(14)] (15) With regard to the department's energy conservation loan
261 program:

262 (A) The number of loans or deferred loans made during the

263 preceding fiscal year under each component of such program and the
264 total amount of the loans or deferred loans made during such fiscal
265 year under each such component;

266 (B) A description of each step of the loan or deferred loan
267 application and review process;

268 (C) The location of each loan or deferred loan application intake site
269 for such program;

270 (D) The average time period for the processing of loan or deferred
271 loan applications during such fiscal year; and

272 (E) The total administrative expenses of such program for such
273 fiscal year.

274 [(15)] (16) A summary of the total social and economic impact of the
275 department's efforts and activities in the areas of economic,
276 community and housing development, and an assessment of the
277 department's performance in terms of meeting its stated goals and
278 objectives.

279 (b) Any annual report that is required from the department by any
280 provision of the general statutes shall be incorporated into the annual
281 report provided pursuant to subsection (a) of this section.

282 Sec. 2. Section 8-119ll of the general statutes is repealed and the
283 following is substituted in lieu thereof (*Effective October 1, 2007*):

284 Annually, the Department of Economic and Community
285 Development in consultation with the Connecticut Housing Finance
286 Authority shall conduct a comprehensive assessment of current and
287 future needs for rental assistance under section 8-119kk for housing
288 projects for the state's elderly and disabled. Not later than April 1,
289 2006, the results of the first such analysis shall be presented to the
290 select committee of the General Assembly having cognizance of
291 matters relating to housing, in accordance with section 11-4a. Any
292 analyses submitted after April 1, 2006, shall be incorporated into the

293 report required pursuant to section 32-1m, as amended by this act.

294 Sec. 3. Subsection (f) of section 8-336p of the general statutes is
295 repealed and the following is substituted in lieu thereof (*Effective*
296 *October 1, 2007*):

297 (f) The commissioner shall [prepare and submit] include in the
298 report required pursuant to section 32-1m, as amended by this act, an
299 annual report [to the Governor and the General Assembly] concerning
300 the activities for the prior fiscal year of the Housing Trust Fund and
301 the Housing Trust Fund program and the efforts of the department to
302 obtain private support for the Housing Trust Fund and the Housing
303 Trust Fund program. [A copy of such report shall be filed with the
304 clerks of each house of the General Assembly and the chairpersons and
305 ranking members of the select committee of the General Assembly
306 having cognizance of matters relating to housing.]

307 Sec. 4. Subsection (i) of section 12-263m of the general statutes is
308 repealed and the following is substituted in lieu thereof (*Effective*
309 *October 1, 2007*):

310 (i) [On or after February 1, 2007, and annually thereafter, the] The
311 Commissioner of Economic and Community Development shall
312 [submit a report, in accordance with section 32-1m, to the joint
313 standing committee of the General Assembly having cognizance of
314 matters relating to the environment regarding the account and grant
315 program established under this section. Such report] include in the
316 report required pursuant to section 32-1m, as amended by this act, an
317 annual report that shall include information as to the number of
318 applications received, and the number and amounts of grants made,
319 since the inception of the program, the names of the applicants, the
320 time period between submission of an application and the decision to
321 approve or deny the grant, which applications were approved and
322 which applications were denied and the reasons for denial. Such report
323 shall further include a recommendation as to whether the surcharge
324 and the grant program established under this section should continue.

325 Sec. 5. Section 32-4h of the general statutes is repealed and the
 326 following is substituted in lieu thereof (*Effective October 1, 2007*):

327 Not later than August 1, 1997, and annually thereafter, [the
 328 Commissioner of Economic and Community Development,] the
 329 chairperson of the board of directors of the Connecticut Development
 330 Authority and the chairperson of the board of directors of Connecticut
 331 Innovations, Incorporated shall submit a report to the joint standing
 332 committee of the General Assembly having cognizance of matters
 333 relating to the Department of Economic and Community
 334 Development, in accordance with the provisions of section 11-4a,
 335 which details the amount of bond funds expended during the previous
 336 fiscal year on each economic cluster in the state by the [state agency or]
 337 quasi-public agency administered by such [commissioner or]
 338 chairperson.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	32-1m
Sec. 2	<i>October 1, 2007</i>	8-119ll
Sec. 3	<i>October 1, 2007</i>	8-336p(f)
Sec. 4	<i>October 1, 2007</i>	12-263m(i)
Sec. 5	<i>October 1, 2007</i>	32-4h

Statement of Legislative Commissioners:

Brackets were inserted around "state agency or" in section 5 for consistency with previous changes.

CE *Joint Favorable Subst.-LCO*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect	FY 08 \$	FY 09 \$
Department of Economic & Community Development	GF - Savings	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The consolidation of all annual program reports by the Department of Economic and Community Development into the Department's annual report will result in a minimal reduction in administrative workload and minimally increases the agency's efficiency.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**SB 1266*****AN ACT CONCERNING DEPARTMENT OF ECONOMIC AND
COMMUNITY DEVELOPMENT REPORTING REQUIREMENTS.*****SUMMARY:**

This bill consolidates all annual program reports the General Assembly requires from the Department of Economic and Community Development (DECD) into the department's annual report. DECD's annual report must be filed with the governor and General Assembly by February 1 each year and posted on the department's website within 90 days thereafter.

The bill specifically requires DECD to include the following separate annual reports in its overall annual report:

1. the amount of bond funds it spent in the previous fiscal year on each of the state's economic clusters, which currently must be filed by August 1;
2. a summary of its efforts on the dry cleaning grant program, which currently must be filed on or after February 1;
3. in consultation with the Connecticut Housing Finance Authority (CHFA), an assessment of current and future needs for rental assistance for state-assisted elderly and disabled housing projects, which currently must be filed by April 1; and
4. information on the Housing Trust Fund and the Housing Trust Fund Program, which currently must be filed annually but not by any set date.

The bill does not change the information that DECD must include in the reports. It also retains the current requirement that Connecticut

Development Authority and Connecticut Innovations, Inc. report to the Commerce Committee, by August 1 annually, on the amount of bond funds they spend on the economic clusters.

Finally, the bill makes several technical changes.

EFFECTIVE DATE: October 1, 2007

REPORT INFORMATION

Dry Cleaning Grant Program

The program provides grants to eligible dry cleaning businesses to prevent, contain, and remediate pollution from hazardous material the businesses use. It is funded by a 1% surcharge on each dry cleaning business' gross receipts from retail dry cleaning services.

The bill and current law require the DECD commissioner's annual report on the program to include (1) the number of grant applications received and the applicants' names; (2) the number and amounts of grants made since the program began; (3) the elapsed time between an application and a grant decision; (4) which applications were approved and which were denied, along with the reasons for any denials; and (5) a recommendation on whether the surcharge grant program should continue.

Current law requires DECD to submit the report to the Environment Committee. The bill includes it in a report to the full General Assembly.

Housing Trust Fund Program

This program seeks to expand affordable housing for low- and moderate-income people. It is funded by four annual bond authorizations of \$20 million each, to be deposited in the Housing Trust Fund.

Current law and the bill require the commissioner's annual report on the program to provide information on (1) activities for the prior fiscal year for both the Housing Trust Fund and the Housing Trust

Fund Program and (2) DECD's efforts to obtain private support for the fund and the program. The bill eliminates a requirement that copies of the report be filed with the chairperson and ranking members of the Housing Committee.

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 19 Nay 1 (03/13/2007)